Settlement commission (Income Tax and Wealth Tax), New Delhi

7755. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) the capacity in which the Chairman, Settlement Commission (Income Tax and Wealth Tax), New Delhi, made visits to other benches during the last three years for hearing the cases when Vice-Chairman of those benches were available there;

(b) whether such hearing of cases by Chairman of the Commission affects the composition of those benches, where the cases are heard by him; and

(c) if so, the steps Government propose to take to check of such violations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Chairman, being the head of the Commission, has to visit other benches on administrative grounds. Besides, if the Chairman was associated with the hearing of a case in any other bench before his appointment as such, then in all such cases which are part heard the bench is normally constituted with the Chairman as Presiding Officer. The Chairman also presides over Special Bench whenever such benches are constituted at Delhi and at other places.

(b) No, Sir.

(c) The question does not arise in view of (a) above.

Cases filed in settlement Commission

7756. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) the year-wise and bench-wise details of applications filed in the Principal Bench as well as other benches of settlement Commission (Income Tax and Wealth Tax) since the date of inception of the Principal Bench and other Benches; and

(b) what was the date of filing of applications, their date of admission, the amount of additional tax admitted in the applications and date of settlement of applications alongwith the amount of additional tax at which the case was settled?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The Settlement Commission (IT and WT) was constituted with effect from 1-4-1976. The time and effort which will be spent in collecting the information spread over a period of nineteen (19) years may not be commensurate with the results thereof.

Shift in reforms to farm sector

7757. SHRI K. M. KHAN:

MISS SAROJ KHAPARDE:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank Managing Director has recently stated that the Agriculture Sector will have to be the focus of the economic reforms process in India in future, as per the news item in The Hindustan Times dated the 14th April, 1995 entitled "Reforms should shift to farm sector: W.B.";

(b) if so, the facts thereof; and

(c) what is the reaction of Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The news item referred to is based on a press conference addressed by Mr. Gautam Kaji, Managing Director of the World Bank, during his visit to India in April, 1995.

While lauding India's economic reforms programme as one of the most comprehensive and successful programmes launched by any developing country in the last two decades. Mr. Kaji had mentioned that in the unfinished agenda of economic reforms in India, the agriculture sector will have to be the focus of reforms in future.

(c) Government is taking steps to increase agricultural production, productivity and farm employment which are crucial for the success of our reform programme that aims at long term sustained growth.

Recovery of it dues from brokers

7758. SHRI SUSHILKUMAR SAMBHAJI RAO SHINDE:

SHRIMATI VEENA VERMA;

SHRI RAJUBHAI A. PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether assessment orders have been issued and other steps taken to recover income tax dues from all the major brokers involved in the securities scam for the scam period and the following years; and

(b) if so, what was the total tax demand raised against them; and

(c) how much collection has so far been made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Assessment orders in respect of all the notified major brokers involved in the securities scam have been issued upto Asstt. Year 92-93. Recovery of income tax dues has been taken up with the Special Court..

(b) Rs. 749346.16 lakhs.

(c) Rs. 1301.25 lakhs.

Bridge loan to Essar Group Companies

7759. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as a matter of Policy the Banks/Financial Institutions invest in equity holdings/ or as loans in private and public sector companies;

(b) if so, the total exposure of Financial Institutions including Banks in all Essar Group Comapines; both in terms of debt and equity;

(c) what is the current status of bridge loans obtained by all Essar Group companies from time to time in the past;

(d) whether all such loans have been repaid; and

(e) if not, what is the Institution-wise/Bank-wise remaining portion of such loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Industrial Development Bank of India (IDBI) has reported that financial institutions invest in equity of industrial units as a part of their normal project financing operations. Banks can make investments in equities of public and private sector companies. subject to the ceiling prescribed by Reserve Bank of India (RBI) for such investments. The mode of assistance i.e. by way of term loan or investment depends on the means of financing of the project and assistance sought for by the borrowers.

(b) to (e) In accordance with the practices and usages customary amongst banks and in conformity with provisions of statutes governing public sector banks and financial institutions as also the provisions of Public